

# **Republican Spending Bill Cuts Investments Needed to Create Jobs, Grow the Economy**

*“We must take care to avoid indiscriminate cuts in areas critical to long-term growth like education, innovation and infrastructure — cuts that would stifle the economy just as it begins to recover. That, in turn, would deprive us of one of the most powerful drivers of deficit reduction, a growing economy.”*

*-Jacob Lew, Director of the White House Office of Management and Budget [NY Times, 02/07/11]*

**Democrats are committed to restoring fiscal responsibility and cutting spending is one part of the effort to reduce the deficit. While Democrats agree that we must reduce spending, House Republicans have introduced a short-sighted plan that does not distinguish between necessary cuts, and cuts to investments that are critical to our continued economic recovery. While Speaker Boehner has dismissed investment in long-term economic growth as “ineffective stimulus,” Democrats are focused on cutting spending without cutting smart investments in our future that create jobs, expand private sector employment and will continue growing the economy.**

## **BUSINESS LEADERS SUPPORT INVESTMENTS IN THE FUTURE**

*“As a government, we will help lay the foundation for you to grow and innovate. We will upgrade our transportation and communications networks so you can move goods and information more quickly and cheaply. We will invest in education so that you can hire the most skilled, talented workers in the world.”*

*[President Obama, remarks to Chamber of Commerce, 02/7/11]*

### **The business community supports these investments:**

Andrew Liveris, CEO, Dow Chemical Company: *“A look around the world reveals that the countries that are succeeding economically are not passive believers in free market fate. Instead, they take their future into their own hands....Governments are boosting business, creating a climate that attracts and rewards investment, spurs innovation and job creation, and appeals to companies that are less bound by national borders than ever before....As CEO of one of the most global U.S.-based corporations, I can tell you, without qualm or question, that I want government more involved. I need it more involved, for the sake of my employees and shareholders. Not as an overzealous regulator, but as a thoughtful partner to thoughtful business—in a shared effort to strengthen our economy.”* [Make It In America, 2011]

Michael Dell, Founder and CEO, Dell Inc.: *“It just goes right back to competitiveness, and so we have to address the competitiveness issues or else the capital doesn’t get invested. Whether it’s foreign companies or domestic companies or new businesses forming, they’ll go where the talent is, they’ll go where the infrastructure is and where the environment is a friendly one towards growth and business formation.”* [CSIS event, 02/02/11]

### **Investments in EDUCATION so that we have a competitive workforce:**

Craig Barrett, CEO, Intel Corporation: *“The world has changed considerably in the past century, and our education system must keep pace. In 1950, 60% of all jobs were classified as “unskilled” and available to those with high-school diplomas or less, according to research published by the Education Testing Services. Now more than 80% of jobs are skilled, requiring education and training beyond high school,*

*Office of the Democratic Whip Steny H. Hoyer, February 9, 2011*

*according to research published by the Brookings Institution. For example, to work on the manufacturing floor at Intel today, an employee must have an associate's degree or higher... We have an obligation to prepare our students to be capable adult citizens."* [WSJ, 4/6/10]

Bill Gates, Founder and Chairman of Microsoft Corporation: *"If we don't start innovating in education to make it better and more accessible, we won't fulfill our commitment to equal opportunity, and our competitiveness will fall behind that of other countries."* [2010 Annual Letter from Bill Gates]

### **Investments in RESEARCH to keep American the world leader in cutting-edge fields and technologies:**

Marc Benioff, CEO, Salesforce.com Inc.: *"The No. 1 thing the government needs to do is increase its research funding... This is where the government adds tremendous value," said Mr. Benioff, who noted that his company is based on technology—the Internet—that grew out of research commissioned by the U.S. government in the 1960s.... Greater spending on research 'is critical for us in every area, in cyber-security, in computational sciences, even in health-information technologies,' Mr. Benioff said."* [WSJ, 01/27/11]

Samuel Palmisano, CEO, IBM Corporation: *"I think a lot of the things that [President Obama] articulated in the State of the Union the tech community is very supportive of: innovation, [research and development], education and competitive tax structure."* [Bloomberg, 02/01/11]

### **Investments in INFRASTRUCTURE so that companies can move products quickly and cheaply:**

Tom Donohue, President, U.S. Chamber of Commerce and Richard Trumka, President, AFL-CIO: *"Whether it is building roads, bridges, high-speed broadband, energy systems and schools, these projects not only create jobs and demand for businesses, they are an investment in building the modern infrastructure our country needs to compete in a global economy. With the U.S. Chamber of Commerce and the AFL-CIO standing together to support job creation, we hope that Democrats and Republicans in Congress will also join together to build America's infrastructure."* [Joint Statement, 01/26/11]

## **REPUBLICANS STILL DON'T HAVE A DEFICIT REDUCTION PLAN**

**The Republican Spending Bill is still not a real plan to address the root causes of our nation's deficit and debt. Republicans have already proven they are not credible when it comes to the deficit:**

- The Republican Rules package, which laid out their priorities, paved the way to adding \$5 trillion to the deficit.
- The Republican Patient's Rights Repeal bill add \$230 billion to the deficit.
- The Republican Budgetless Resolution cuts critical investments that grow the economy and reduce the deficit.

**We need to tackle the deficit in a bipartisan way that addresses its real causes, and so far Republicans haven't shown any intent of doing so. Instead, they've laid out plans to add trillions to the deficit.**